COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| APPLICATION OF KENTUCKY WATER SERVICE |) | | |
|---------------------------------------|---|----------|------|
| COMPANY, INC. TO CONTINUE SHORT-TERM |) | | |
| FINANCING OF \$2,300,000; AND NOTICE |) | CASE NO. | 7867 |
| OF ADJUSTMENT OF RATES IN SOMERSET, | Ś | | |
| DDLESBORO AND CLINTON KENTUCKY | Ś | | |

ORDER

On November 5, 1982, the Commission issued an Order setting a rehearing on the issues of the PSC's treatment of JDITC and interest rates in our original Order in this matter. This Order was based on the Commission's interpretation of the order of the Kentucky Court of Appeals issued August 20, 1982. Kentucky Water Service Company challenged our interpretation of the court's order and filed a motion with the Court of Appeals seeking to require our staff assistants to testify at the hearing and produce all of their work papers on the case. On December 17, 1982, the Court of Appeals issued an order denying Kentucky Water Service's request and affirming the PSC's interpretation of the remand order of the court.

Based upon our consideration of this matter and being advised, the Commission HEREBY ORDERS that a public hearing be scheduled in this matter on February 16,1983, at 10:00 A.M., Eastern Standard Time, in the Commission's offices in Frankfort, Kentucky. At such hearing, Kentucky Water Service Company will have the opportunity

to present evidence and oral argument in support of the points it raised in its original petition for rehearing of our 1980 Order.

Done at Frankfort, this 29th day of December, 1982.

PUBLIC SERVICE COMMISSION

Schairman

Chairman

Chairman

Commissioner

Vice Chairman Randall did not participate in this decision.

ATTEST:

Secretary